

REPORT  
ON  
VALUATION IN IRELAND  
BY  
HIS MAJESTY'S COMMISSIONERS  
APPOINTED TO INQUIRE INTO THE SUBJECT OF  
LOCAL TAXATION.

---

*Presented to both Houses of Parliament by Command of His Majesty.*

---



LONDON:  
PRINTED FOR HIS MAJESTY'S STATIONERY OFFICE,  
BY EYRE AND SPOTTISWOODE,  
PRINTERS TO THE KING'S MOST EXCELLENT MAJESTY.

And to be purchased, either directly or through any Bookseller, from  
EYRE AND SPOTTISWOODE, EAST HAMING STREET, FLEET STREET, E.C., and  
22, ARLINGTON STREET, WESTMINSTER, S.W.; or  
OLIVER AND BOYD, EDINBURGH; or  
E. PONSONBY, 116, GRAFTON STREET, DUBLIN.

1902.

[Cd. 973.] Price 1d.

## TERMS OF REFERENCE.

---

To inquire into the present system under which taxation is raised for local purposes, and report whether all kinds of real and personal property contribute equitably to such taxation; and, if not, what alterations in the law are desirable in order to secure that result.

---

## ANALYSIS OF REPORT.

---

	Page
First Government Valuation, 1830-1846 . . . . .	1
Second Government Valuation, 1846-1852.	
Third Government Valuation, 1852-1866, Griffith's Valuation.	
Principles of Valuation. Valuation to be made upon an estimate of the net annual value.	
How the net annual value of land was to be estimated.	
Properties rateable . . . . .	2
Method of Procedure. Matters considered by Valuers.	
Valuation of Mines, Railways and similar properties.	
Valuation of buildings never let . . . . .	3
Question of Tenant Rights.	
General revision of the Valuation has never been made.	
Annual revision of the Valuation. No revision of the valuation of land.	
Annual revision of the Valuation insufficient and incomplete. Only decreases in the value of buildings recorded.	
New buildings. Deduction to arrive at the level of Griffith's Valuation.	
Appeals against Valuation . . . . .	4
Attempts to improve the Valuation.	
Under-valuation in Dublin and other towns.	
Re-valuation of Ireland necessary.	
Local Authorities might take some part in the Valuation.	

---

# REPORT ON THE SYSTEM OF VALUATION IN IRELAND.

TO THE KING'S MOST EXCELLENT MAJESTY.

MAY IT PLEASE YOUR MAJESTY:

As stated in the portion of our Final Report relating to England and Wales, we hope to present, in due course, and at no distant date, reports on Local Taxation in Scotland and Ireland. But we believe that it will be convenient if the conclusions at which we have unanimously arrived on one especial question, viz., the system of valuation of rateable property in Ireland, are presented in advance of our general Report. We therefore beg leave humbly to submit to your Majesty the following special Report on this question:

The work of valuation in Ireland is entirely performed by a Government Department.\* The first Government Valuation was commenced in 1830 for the purpose of "the more equal levying of the Grand Jury Cess." The unit of valuation was the townland, and the valuation of land was to be made with reference to a scale of agricultural prices. Houses were valued at two-thirds of the annual rent for which they could be let†

When the whole of Ireland, with the exception of six counties, had been valued, the passing of the Poor Law Act‡ of 1838 rendered a separate valuation of each tenement necessary for the purposes of levying the Poor Rate, and as the dividing up of the townland valuation was not satisfactory, a valuation of the remaining six counties by townlands was made upon an estimate of the net annual value.§

The existence of two valuations, one for County Cess and another for the Poor Rate, led to the passing of the Valuation Act of 1852, and under this and amending Acts¶ the valuation of Ireland is at present carried out. The preamble to the Act states that "it is expedient to make one uniform valuation of lands and tenements in Ireland, which may be used for all public and local assessments and other rating," and this valuation (commonly known as Griffith's Valuation) superseded the townland and tenement valuations made under the earlier Acts.

The valuation was made separately for every tenement or rateable hereditament upon "an estimate of the net annual value" which was defined in regard to houses and buildings¶ as "the rent for which, one year with another, the same might in its actual state be reasonably expected to let from year to year, the probable average annual cost of repairs, insurance, and other expenses (if any) necessary to maintain the hereditament in its actual state, and all rates, taxes, and public charges, if any, (except tithe rentcharge) being paid by the tenant."\*\*\*

No corresponding definition was given with regard to land,†† but it was directed that the net annual value was to be estimated "with reference to the average prices of the several articles of agricultural produce" specified in the Act,‡‡ "all peculiar

\* See "Memorandum prepared for the Commission by the Irish Local Government Board"; "Memorandum prepared for the Commission by the Commissioner of Valuation, Ireland," C. 3764, 1898, pp. 127-149 and 277-281, and Minutes of Evidence, Vol. I (C. 3763, 1898), and Vol. V, Ireland, C. 383, 1900.

† 7 Geo. IV. c. 62; 1 & 2 Wm. IV. c. 51; 2 & 3 Wm. IV. c. 73; 4 & 5 Wm. IV. c. 55; 6 & 7 Wm. IV. c. 86.

‡ 1 & 2 Vict. c. 56. § 9 & 10 Vict. c. 110.

§ 15 & 16 Vict. c. 63; 17 Vict. c. 8; 23 Vict. c. 4; 27 & 28 Vict. c. 52; 37 & 38 Vict. c. 70.

¶ Buildings include all barnhouses and farm buildings.

\*\* 15 & 16 Vict. c. 63. s. 11.

†† Land means land not covered with buildings.

‡‡ The scale of prices was:—

	s.	d.	
Wheat . . . . .	7	6	per 112 lbs.
Oats . . . . .	4	10	"
Barley . . . . .	5	6	"
Flax . . . . .	49	0	"
Butter . . . . .	85	4	"
Beef . . . . .	35	6	"
Mutton . . . . .	41	0	"
Pork . . . . .	82	0	"

These prices were taken from the general averages of 40 market towns in Ireland during the years 1860, 1865, and 1861.

"local circumstances in each case being taken into consideration, and all rates, taxes, and public charges, if any, (except tithe rentcharge) being paid by the tenant."

The Act contained no reference to a "gross estimated rental" as in England, and consequently the net value only appears in the valuation lists.

Properties  
assessable.

The tenements and hereditaments defined as rateable by the Act of 1852 and its amending Acts are as follows\* :—

- (1.) All lands and buildings, and all mines which have been opened for seven years, or re-opened for seven years after having been *bona fide* abandoned;
- (2.) All commons and rights of common, and all other profits to be had or received or taken out of any land;
- (3.) Half the annual rent derived by the owner or other person interested in any tenements or hereditaments exempted by reason of being used for public or charitable purposes, or for the purposes of science, literature, and fine arts (see section 2 of amending Act of 1854—17 Vict. c. 8);
- (4.) All rights of fishery;
- (5.) All canals, navigations, and rights of navigation;
- (6.) All railways and tramroads;
- (7.) All rights of way and other rights or easements over land, and the tolls levied in respect of such rights and easements, and all other tolls.

A proviso was inserted "that no turf bog or turf bank used for the exclusive purpose of cutting or saving turf, or for making turf mould therefrom for fuel or manure, shall be deemed rateable . . . unless a rent or other valuable consideration shall be payable for the same." (Section 12.)

Any increase in the value of lands and hereditaments arising from drainage or reclamation, etc. was exempted from rating for seven years after the drainage had been carried out.

In the valuation of any "mill or manufactory or building erected or used for any such purpose," the water or other motive power thereof was to be valued, but the value of any machinery therein, "save only such as shall be erected and used for the production of motive power," was not to be taken into account. (See section 7 of the amending Act of 1860, 23 Vict. c. 4.)

Method of  
proceeding.  
Matters  
considered  
by valuers.

The valuation, which was carried out under the direction of Sir R. Griffith, was commenced in the South of Ireland in 1852 and completed in 1866, the north being valued last. In the course of the fourteen years during which the work was in progress, agriculture became more prosperous, and rents had risen, with the result that the valuation of agricultural land in the North of Ireland was rather higher than in the South.† The general instructions issued by Sir R. Griffith were to the effect that the value of the land was to be ascertained separately from that of the buildings, but that the total valuation of the land and buildings was not to exceed the fair letting value to a solvent tenant. For the purposes of the valuation the whole of Ireland was divided into districts, each district was then divided into "quality lots," i.e. areas in which the land was of equal value throughout, and in the valuation of the separate holdings in each of these areas the particulars of the soil and subsoil, underlying rock, and climate as affected by altitude, &c., were taken into account. regard was also paid to facilities for getting seaweed and bog for manure and fuel, proximity to market towns, and their size and importance. Mr. Barton, the Commissioner of Valuation, stated in his evidence: "I have got all the particulars of the old valuation, and it is wonderful with what care it was worked out. The description of the soil, and 'subsoil, the altitude, and the amount of allowances for each of these different matters was worked out in each particular case.'‡

Valuation of  
mines, rail-  
ways, and  
similar  
properties.

In the case of mines, quarries, and potteries, the receipts for an average of years were taken as a basis of valuation; similarly railways, canals, fisheries, waterworks, gasworks, &c., were valued on net receipts, and their valuations divided among the various rating areas in which they were situate, according to their respective values in each. In these valuations due allowance was made for interest on floating capital, tenants' profits, and depreciation.§

\* Shooting rights are not valued in Ireland.

† The Commissioner of Valuation furnished a statement to the House of Commons Committee on Valuation in 1866 showing the differences existing between the valuations in the various counties. (See App. (Part I.) to Vol. I. of Min. of Br., O-3764, 1898, p. 133.) See also Barton, 3311-6, 3312-8.

‡ Barton, 3279-81, 3294-305, 3305-13.

§ Barton, 3340-9; 3396-403.

The valuation of buildings for which no rent was paid was based on an estimate of the sum which the valuer considered fairly represented what they would let for, one year with another, and this was determined to some extent by the cost of the buildings as deduced from measurements. Their age, position, and solidity were also taken into account.\*

Valuation of buildings never let.

At the time when Griffith's Valuation was made, tenant right only existed in Ulster, and it has been questioned whether its value was included in the estimates made by the valuers. That the value was so included Mr. Barton appears to have no doubt. He points out that the object of the valuation was to obtain the full annual value of the land, and that under the system prescribed by the Act the fact that both landlord and tenant had an interest in that value would not affect the results obtained.†

Question of tenant right.

The Act of 1852 provided for a general revision of the valuation, but no funds were provided for the execution of such work, and such a general revision has never been made, with the result that in the course of time the valuation has become quite out of date, consequent chiefly upon the alteration of the prices of the various articles of produce and upon the changes in the cultivation of the separate holdings.‡

General revision of the valuation has never been made.

The Act also provided for a revision of the valuation every year and in accordance with the provisions of a later Act (17 Vict. c. 8) such annual revision is to be made in the case of—

Annual revision of the valuation.

(1.) "The rateable tenements and hereditaments the limits whereof shall become altered; and also of

(2.) Rateable tenements and hereditaments the annual value of which is liable to frequent alteration, such as fisheries, railways, canals, tolls of roads, bridges, mines, gas and water works, and buildings."

The procedure is as follows:—

The collector of poor rates makes out and delivers to the Secretary to the County Council or to the Clerk to the Urban District Council, as the case may be, a list of all tenements and hereditaments within his district where a revision of the valuation becomes necessary for any of the above reasons. And any ratepayer who feels aggrieved may apply for a revision of the valuation of any rateable hereditament in the area in which he is rated. Lists embodying these cases are transmitted to the Commissioner of Valuation to be dealt with, who may alter or confirm the valuations as the cases may require, but under no circumstances, except where a clerical error is discovered, may the total valuation of the lands, independently of the buildings, within each respective townland or other denomination, as originally fixed under the Valuation Act of 1852, be increased or lessened.

No revision of valuations of land.

This annual revision of the valuation, provided for in the original Act, has been insufficient to keep the original valuation up to date.§ In the first place the valuation of uncovered land, apart from buildings, cannot be increased, and it is evident that many alterations in value must have taken place since the valuation was originally fixed. Large tracts of country have been drained, reclaimed and otherwise improved, but no increase has been made in their valuation, while, on the other hand, land has deteriorated without a corresponding reduction in the valuation. Mr. Barton informed us that he has no power to go into a district and make a revaluation and, generally speaking, except where structural alterations have been made, any alteration in the value of buildings is not brought to his notice by the Local Authorities, and consequently there are many cases of property which has increased in value remaining at the old valuation. On the other hand, where the value of any property has fallen, the fact is at once brought under notice by the owner or occupier, and the valuation accordingly reduced.

Annual revision of the valuation insufficient and incomplete.

Only decreases in the value of buildings recorded.

In regard to new buildings which are included in the annual revision lists, and those in which a structural change has been made, Mr. Barton also stated that it is his practice to make a deduction from the full annual value in order to bring the valuation down to the average level of Griffith's Valuation, and he says, "if we did not do this we would have the new houses with a relatively much higher valuation than the old ones, and that would be a case of great injustice to the owners of property now being valued." He added that the deduction varied in different districts from 5 per cent. to 30 per cent.||

New buildings. Deduction to arrive at the level of Griffith's Valuation.

\* Barton, 3330-2 and App. (Part I.) to Vol. I. of Min. of Ev. C.—8784, 1896, p. 278, par. 13.

† Barton, 3282-03, 3285-63, 3404-11, 3491-503, 3514-19; O'Brien, 23,561-3, 23,565-7; O'Deputy, 25,073-30.

‡ Barton, 3300-4, 3419-51; O'Brien, 23,534; Dagg, 24,438-9; Field, 24,823-5; Bainesby, 25,065-8; Begwell, 25,534-50.

§ Dagg, 24,445-9; Bainesby, 25,065-61; Finlay House, 25,392-410.

|| Barton, 3338-9, 3377-35, 3387-40; 27,290-2.

Appeals  
against  
valuation.

Ratepayers were empowered to appeal against the original valuation, in the first place to the Commissioner of Valuation, and from him to the Court of Quarter Sessions whose decision was final.

The same powers were given in the case of the annual revision, but these powers have since been extended, and questions of law may now be taken to the Court of King's Bench and then to the Court of Appeal, the decisions of the Court of Quarter Sessions being final as regards questions of fact.

Attempts to  
improve the  
Valuation.

From time to time attempts have been made to improve the valuation of Ireland, and Bills were introduced into the House of Commons for this purpose in 1866, 1873, and 1877.\* In the two earlier Bills the valuation of all property was to be made "upon an estimate of the net annual value," but in the later Bill agricultural land was to be valued "upon an estimate of the net annual value thereof," with reference to a scale of agricultural prices. None of these Bills, however, passed into law.

Under-  
valuation in  
Dublin and  
other towns.

Striking evidence was brought before us as to the under-valuation existing in Dublin and other urban districts in Ireland.† Under the recent Local Government Act,‡ however, a general revaluation of the six County Boroughs created by that Act may be made on the application of the Borough Council, and such a revaluation has already been nearly completed in Belfast.

Revaluation  
of Ireland  
necessary.

It was urged by several witnesses that the absence of any general revaluation during more than 40 years, and the insufficiency of the annual revision, rendered a complete revaluation of the whole of Ireland necessary.§ Other witnesses, however, thought that a revaluation of agricultural land was undesirable and unnecessary, holding that the great difficulty of the task would far outweigh the advantages to be gained by it.||

That difficulty arises mainly from the fact that (owing to the operation of the Land Acts and Land Purchase Acts) few Irish farms are now let in the open market at a competitive rent, and consequently the test of the rent actually paid (which renders valuation to a great extent automatic in England) is not available for determining what rent a tenant might reasonably be expected to pay.

On the other hand, the judicial rents fixed by the Land Courts do not in most cases profess to include all the elements which should enter into rateable value, and on this account they could not properly be made the basis of local taxation.

We are far from considering the difficulties thus arising to be negligible. But we are glad to find that the witness who would be least likely to under-rate them does not consider them insurmountable. Mr. J. G. Barton, who, as the Commissioner of Valuation, has unequalled experience, expressed an unhesitating opinion that a valuation of the whole of Irish rateable property on the basis of the English definition of annual value is not only very desirable but also—in spite of the serious difficulties which we have pointed out—practicable. Without attempting to solve all the detailed problems which would unquestionably arise, we decidedly concur in his opinion. And we would add an expression of our strong conviction, based upon prolonged study of the question of rating throughout the United Kingdom, that it is not easy to exaggerate the importance of fair, uniform, and accurate valuation, as a preliminary to any just distribution of the burdens of local administration.

Local  
Authorities  
might take  
some part  
in the  
Valuation.

The question was raised by some of the witnesses who appeared before us whether the work of valuation might not with advantage be transferred wholly or partly from the Central Government to Local Authorities. There was some conflict of opinion as to the desirability of this step,¶ and on the whole the weight of evidence inclines us to the belief that no such transfer is at present desirable.

We would not deny that English experience has proved that local responsibility and local knowledge are in some respects desirable elements in valuation, but on the whole we have tended more and more to think that expert skill and absolute independence are still more indispensable. Even as regards England we expressed the opinion in our First Report\*\* that it is very desirable to enlarge the valuation area, to introduce professional surveyors, to increase the powers of the Inland Revenue

\* House of Commons Bills, 155 of 1866, 64 of 1873, and 102 of 1877.

† Dawson, 23,629-37, 23,644-5, 23,697-710, 23,719; Black, 23,787, 23,980-6; Batterby, 24,086-9; Barton, 27,519-21.

‡ 61 & 62 Vict. c. 37.

§ Barton, 3373-6, 27,250-6; Robinson, 23,388-93; O'Brien, 25,450-2; Dagg, 24,436-44; Field, 24,838; Batterby, 24,928-32, 25,062-3; Finlay Horne, 25,481.

|| Montgomery, 25,190-204, 25,260-205; Brown, 25,307-14; Haasey, 25,519; Bagwell, 25,535-40; Synnott, 25,711-14.

¶ O'Brien, 25,480-9; 23,363-4, 25,500-12; Dawson, 23,628-41, 23,646-8; Black, 23,785-6; Hazlett, 24,245-9; 24,360-303; 24,507-8; Dagg, 24,436-44; Batterby, 24,928-32; 25,038-42; Horne, 25,478-9; 25,480-4; Synnott, 25,779; Barton, 27,505-17.

\*\* C.—921, 1896.

representatives, and even, with regard to railways and some other properties, to introduce a new system of Government Valuation. In Scotland, again, we think that the large part already played by Central Departments in valuation should be extended rather than curtailed.

Thus the tendency of our recommendations for Great Britain is towards making valuation a centralised and expert function. In Ireland such a system is already in existence, and its advantages have been realised in a high degree, so far as the imperfection of the Valuation Law has allowed. At the same time, with a view to the changed methods which will be necessary in the future, we think that the recent reorganisation of Local Government affords a favourable opportunity for the introduction of some local element. Accordingly we consider—and we understand that the evidence of the Commissioner of Valuation is not in opposition to this view—that, when the County Councils called into existence under the Act of 1898 have acquired rather more experience in administering local affairs, it would be desirable to confer on them some responsibility for the process of valuation, even if it should be thought better at first only to call them in for consultation and advice.

All which we humbly submit for Your Majesty's gracious consideration.

(Signed) BALFOUR OF BURLSIGH (*Chairman*).

CAWDOR.

J. B. BALFOUR.

JOHN T. HIBBERT.

CHARLES B. STUART WORTLEY.

E. W. HAMILTON.

G. H. MURRAY.

C. N. DALTON.

C. A. CRIPPS.

HARCOURT E. CLARE.

T. H. ELLIOTE.

ARTHUR O'CONNOR.

EDWARD ORFORD SMITH.

JAMES STUART.

JOHN L. WHARTON.

ARTHUR WILSON FOX,  
*Secretary.*

T. LAEWELYN DAVIES,  
*Assistant Secretary.*

14th February 1902.

NOTE.—Certain points as to procedure, and as to the valuation of special properties, including Railways and Licensed Premises, will be dealt with in the general Report.